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RUEHLM/AMEMBASSY COLOMBO PRIORITY 0045
RUEHKA/AMEMBASSY DHAKA PRIORITY 0058
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0523
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RUEHKT/AMEMBASSY KATHMANDU PRIORITY 0055
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RUEAIIA/CIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEHVEN/USMISSION USOSCE PRIORITY 2350
RUCNDT/USMISSION USUN NEW YORK PRIORITY 1735
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C O N F I D E N T I A L SECTION 01 OF 02 BISHKEK 000126

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TAGS: [PGOV](#) [PREL](#) [KDEM](#) [KG](#)

SUBJECT: NEW KYRGYZ GOVERNMENT STRUCTURE APPROVED BY
PARLIAMENT

REF: A. BISHKEK 87

[1](#)B. BISHKEK 102

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Classified By: Charge Lee Litzenberger, Reason 1.4 (b) and (d)

[1](#)1. (C) SUMMARY: Parliament approved a new government structure February 6. The new structure, proposed by Prime Minister Azim Isabekov, comprises 14 ministries, 5 committees, and 12 state agencies, including a new Ministry of Industry, Energy and Fuel Resources. The new structure marks a slight increase in size over the previous cabinet. Names being floated for ministerial positions point to Isabekov's stated focus on the economic issues, with KyrgyzGas chief Igor Chudinov possibly heading the new Ministry of Industry, Energy and Fuel Resources, and Alykbek Japarov, the pro-HIPC close ally of former PM Kulov, asked to remain Minister of Finance. Once the full cabinet has been appointed and then approved by President Bakiyev, Post will attempt to determine how this new government will address equities important to the U.S. and the region. END SUMMARY.

COMPROMISE REACHED

[1](#)2. (SBU) On February 6, Parliament adopted a revised structure of government after rejecting an earlier version presented by newly-appointed Prime Minister Azim Isabekov on February 1. Several members of parliament (MPs), including many from the opposition, objected to the earlier draft because it would have increased the size of government considerably, with the creation of several new ministries, committees, and state agencies. A number of prominent lawmakers also complained that proper oversight of key committees, including those concerned with law enforcement, intelligence, and finance, was not defined clearly. In

addition, some parliamentarians charged that the initial draft was designed to bolster the influence of certain leadership positions that would likely control the government bodies suggested.

13. (SBU) In light of parliament's previous reservations regarding the size of government, the draft approved by parliament will allow for 14 ministries, 5 committees, and 12 state agencies -- only a slight increase over the previous government structure. Headed by the prime minister, the first vice prime minister, and one vice prime minister, the cabinet will also include a chief of staff, who will hold the rank of minister.

GOVERNMENT EXPANDED

14. (SBU) Included within the new government structure are the ministries of finance; foreign affairs; justice; defense; interior; emergency situations; economic development and trade; agriculture, water resources and processing industry; transport and communications; culture and information; education and science; health; labor and social development; and industry, energy and fuel resources -- the latter being a new ministry that, according to some commentators, should play a significant role in Kyrgyzstan's economic development. A state committee on national security was also adopted, in addition to committees on state property; taxes and duties; migration and employment; and customs.

15. (SBU) Parliament also agreed to the following state agencies will report directly to the prime minister: financial police; religious affairs; geology and mineral resources; tourism; architecture and construction; immovable property rights registration; physical culture, sports, youth affairs and child protection; professional technical

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education; information resources and technologies; state procurement and material reserves; environmental protection and forestry; and antimonopoly policy and competition development.

MINISTER POSSIBILITIES FLOATED

16. (SBU) Names being floated for ministerial positions -- KyrgyzGas chief Igor Chudinov possibly heading the new Ministry of Industry, Energy and Fuel Resources, and Alykbek Japarov, the pro-HIPC close ally of former PM Kulov, possibly being asked to remain Minister of Finance -- point to Isabekov's stated focus on economic issues. Once PM Isabekov formally nominates candidates to the posts, President Bakiyev is expected to appoint them quickly to office, as Bakiyev and Isabekov previously discussed the possible make up of the new government, according to Isabekov's February 5 statement to the press. It is also expected that a number of additional changes to the cabinet will be made, possibly establishing new leadership over the ministries of interior (despite calls from opposition leaders to appoint current Acting Minister Omurbek Suvanaliyev, also a close ally of former PM Kulov), agriculture (which PM Isabekov headed before his appointment), and emergency situations (which MP Kamchybek Tashiyev reportedly turned down). As reported reftel, Foreign Minister Alikbek Jekshenkulov may remain in office for at least another six months as preparations continue for the Shanghai Cooperation Summit, to be held in Bishkek this June.

COMMENT: AN ECONOMIC FOCUS IMPLIED

17. (C) The new structure puts all the economic ministries and agencies under the supervision of the First Vice Prime Minister, currently Daniyar Usenov, thus consolidating control over many facets of the economy into one office. The

almost immediate proposals of the ministers for industry, energy and fuel resources, and finance, as well as the prime minister's consistent line of needing to improve the country's economic condition, may illustrate the significance placed on Kyrgyzstan's economic development. Isabekov's meeting last week with IMF and World Bank representatives immediately after taking office (septel) also points to Isabekov's and, possibly, President Bakiyev's desire to focus on the economy. Floating Japarov as Finance Minister was unexpected, due to his strongly pro-HIPC stance and his close ties to former PM Kulov, who was rejected by parliament in part for supporting HIPC. Once the new cabinet is fully formed, Post will attempt to determine what steps the new government might take next on a number of equities, including HIPC, AES's MOU, and REMAP, important to the U.S. and the region as a whole.

LITZENBERGER